



**The New York Immigration Coalition
Testimony for FY 2021 Joint Legislative Budget Hearing on Health**

Max W. Hadler, MPH, MA

January 29, 2020

My name is Max Hadler and I am the Director of Health Policy at the New York Immigration Coalition (NYIC). The NYIC is an advocacy and policy umbrella organization for more than 200 multi-ethnic, multi-racial, and multi-sector groups across the state working with immigrants and refugees.

Thank you to Committee Chairs Richard Gottfried and Gustavo Rivera, and all members of both health committees, for the opportunity to submit this testimony.

Coverage4All

The NYIC is one of the lead organizations of the Coverage4All campaign, a statewide effort of 124 organizations to create affordable health insurance options for all New Yorkers regardless of their immigration status. We have strongly supported the introduction and advancement of bills A.5974/S.3900, which would create a state-funded Essential Plan insurance program for New Yorkers whose immigration status makes them ineligible for the current Essential Plan or for any other type of affordable health insurance coverage.

This discriminatory exclusion currently affects more than 400,000 New Yorkers, yet the state has continually refused to act on this injustice. The Governor's FY2021 Executive Budget perpetuates this trend of inaction by denying a single dollar toward improving coverage for immigrant New Yorkers. It adds insult to injury by claiming victory on health coverage because of the state's 95% insurance rate. To be sure, the work to date to expand health insurance coverage under and beyond the Affordable Care Act is laudable and we at the NYIC are proud to be a partner in it. However, while hundreds of thousands of state residents continue to suffer under a system of federal discrimination in which the state is complicit, expressing a sense of completion is unacceptable. The time to act on the Coverage4All Essential Plan proposal has long since passed, and anything short of forward movement is a failure of the state. The Governor has already failed to act through his Executive Budget proposal. We urge the Legislature to take action via the existing legislation (A.5974/S.3900).

In refusing to take action, New York State continues to threaten the lives of people who have limited access to coverage. It also does a disservice to the state's health care providers. In total, the state's providers would stand to

New York Immigration Coalition

131 W 33rd St. Fl 6
New York, NY 10001
212 627 2227
nyic.org



save about \$130 million annually in uncompensated care costs if this coverage expansion were approved.¹ Beyond fiscal considerations, expanding comprehensive coverage would also help providers offer more efficient and prevention-oriented continuity of care rather than rely on the piecemeal and patchwork health care safety net that exposes uninsured low-income New Yorkers to delays and gaps in care. It is short-sighted and narrow-minded to continue to claim, as many in state government do, that the cost of Coverage4All is its biggest barrier as if many of these costs were not already absorbed by health care providers and the state's systems for uncompensated care. Cost is not the constraint – courage is.

Medicaid

The current Medicaid budget situation casts a long shadow over much of this year's health budget and is an obvious concern. However, addressing the shortfall requires accurately diagnosing the problem. Both in the case of the existing shortfall and in the case of aspiring to expand life-saving programs like Medicaid and the Essential Plan to new populations, new revenue must be a consideration. While there may be some efficiencies to be squeezed from the current system, the spending growth and Medicaid global caps have created artificial budget pressure that is not reflective of the program's positive growth and the need for additional funding to support it. In addition to general revenue growth, there is also a health coverage-specific revenue option in the form of a state individual insurance mandate. The state could generate more than \$300 million annually from the mandate,² which could be used to support an expansion of coverage through the state-funded Essential Plan proposal.

The Governor's Executive Budget re-launches the Medicaid Redesign Team (MRT) first convened in 2011. One important lesson from the first MRT was that consumer advocates and community-based organizations were grossly underrepresented. While the NYIC finds some common ground with health care providers such as the Greater New York Hospital Association and labor unions like 1199SEIU (indeed, both are supporters of the Coverage4All campaign), the MRT process is destined for failure if it is driven only by providers and unions at the expense of significant representation of the voices of consumer advocates as part of a transparent, deliberate process with accountability primarily to the community members who depend on these systems of payment and care.

We agree with the Governor's directive to MRT II that it hold beneficiaries harmless, but the only way to accomplish this is to have beneficiaries and the organizations that represent them present for a transparent and public process. We further urge an expansion of the directive to not only hold current beneficiaries harmless, but to think about future beneficiaries and efforts to ensure that as many people as need health coverage are able to access

¹ Based on per-person estimates from the Urban Institute: https://www.urban.org/research/publication/how-would-state-based-individual-mandates-affect-health-insurance-coverage-and-premium-costs/view/full_report

² https://www.brookings.edu/wp-content/uploads/2018/10/Levitis_State-Individual-Mandates_10.29.18.pdf



benefits. The foundational purpose of the Medicaid program is to provide high-quality health care to low-income New Yorkers. Any effort to improve the program's fiscal structure should not be accomplished through more restrictive eligibility or efforts to exclude populations from the program as a cost-saving mechanism.

Article 6

The Governor's Executive Budget also renewed cuts he made last year to New York City public health programs by slashing the state's Article 6 matching rate only to its largest municipality. This targeted and unjustifiable cut to vital public health programs was a biased cost-cutting move that should be a one-year exception and not a long-term system that entrenches different treatment for the municipalities. The state, through the force of the Legislature, should restore NYC's matching rate to 36%. Given the Governor's proposal to potentially saddle municipalities, including NYC, with an additional share of Medicaid cost growth, it is unreasonable to also pin NYC with an additional \$65 million to maintain support for programs that everyone – with the apparent exception of the Governor – thinks are critical to public health.

Indigent Care Pool

As indicated in our memorandum of support for A.6677-B/S.5546-A, we strongly support ending once and for all the Indigent Care Pool (ICP) transition collar and implementing other improvements to the underlying formula included in the bill to ensure that indigent care funding is distributed based on need. This redistribution would not create new spending. Instead it would be a more effective way of using existing funding to support a robust safety net, which was the original intent of the ICP and which must be its mission moving forward. This mission is particularly important while the State perpetuates a system of health insurance discrimination that prohibits many low-income adults from obtaining coverage because of their immigration status and makes them rely on safety-net providers that are not as well served by the ICP as they should be.